REMARKS/ARGUMENTS

Reconsideration of this application, as amended, is respectfully requested. The following remarks are responsive to the Office Action of May 3, 2004. Claims 1-5, 7, 9-22, 24-38, and 40-44 remain in the application. Claims 1, 3, 4, 7, 9-15, 17, 18, 22, 24, 27, 31, 32, 34, 38, and 41-43 have been amended. Claims 6, 8, 23, and 39 have been cancelled. The above amendments are supported by the Specification as filed. Accordingly, no new matter is added.

35 U.S.C. 102(b) – Belka et al U.S. No. 5777884 (hereinafter "Belka")

Belka describes and article inventory tracking and control system for removal of articles from a secure facility, such as books from a library or videocassettes from a video store. Specifically, Belka discusses authenticating and authorizing the user and desired transaction by a scanning a user identification card and item associated with the transaction, wherein the transaction is the checking in or checking out the item into or from the secure facility. Further, Belka's description of the sensing system is limited to the item (e.g., videocassette) either being in the correct receiving compartment (e.g., videocassette case) as determined by sensors at the receiving compartment being triggered by the insertion or removal of the item equipped with a corresponding sensor trigger.

In contrast, the present claims include the feature of monitoring the location and movement of the entity and objects within the controlled space using a wireless tracking system coupled to a computer system. Belka merely describes authenticating and authorizing a user to insert or remove objects from their corresponding compartments. The controlled space described in Belka are merely compartments, therefore Belka cannot possibly monitor the location and movement of the entity and objects within the controlled space. Further, Belka only discusses close proximity magnetic sensors and bar code readers and does not describe monitoring using a wireless tracking system. Consequently, the present claims as recited are patentable over and not anticipated by Belka.

35 U.S.C. 102(b) and 103(a) - Ghaffari et al U.S. No. 5708423 (hereinafter "Ghaffari")

Ghaffari describes system that maintains records of respective locations of a plurality of objects. Each object has a marker that transmits an identification signal that is unique to the respective object. Sensor devices are installed at respective doorways of a building. Each sensor device only receives the identification signal transmitted from the object marker as the respective object is moved through the doorway.

However, because the sensors described in Ghaffari only receive an identification signal from the object marker as the respective object is moved through the doorway, Ghaffari does not disclose monitoring the location and movement of the entity and objects within the controlled space using a wireless tracking system coupled to a computer system, as recited in the present claims. In other words, Ghaffari can only tell a user that the object may be somewhere within the controlled space. Ghaffari cannot tell a user where the object (or entity) is within the controlled space because Ghaffari's sensors can only monitor movement in a sensor equipped doorway and not within the controlled space. Therefore, the present independent claims as recited are patentable over and not anticipated or rendered obvious by Ghaffari. Because dependent claims include all the features of the claims from which they depend, dependent claims 9, 11, 25-26, and 28 are also not obvious and therefore patentable over Ghaffari.

Adding what is disclosed in Lucas in combination with Ghaffari does not render the present claims obvious. Lucas describes a method for parties to remotely monitor inventory via the Internet and automatically order depleted inventory. Specifically, Lucas discusses an interactive human interface for tracking inventory counts, inventory consumption rates, and ordering of critical products via a web-based or PC-based system. Although Lucas may track persons removing items from inventory, Lucas, alone or in combination with Ghaffari, does not discuss monitoring the location and movement of the entity and objects within the controlled space using a wireless tracking system coupled to a computer system, as recited in the present independent claims. Because dependent claims include all the features of the claims from which they depend, dependent claims 15-20, and 32-37 are also not obvious and therefore patentable over Ghaffari in view of Lucas.

For all of the foregoing reasons, the claims are patentable over the references cited in the Office Action. If there are any additional fees due in connection with this communication, please charge our deposit account no. 02-2666.

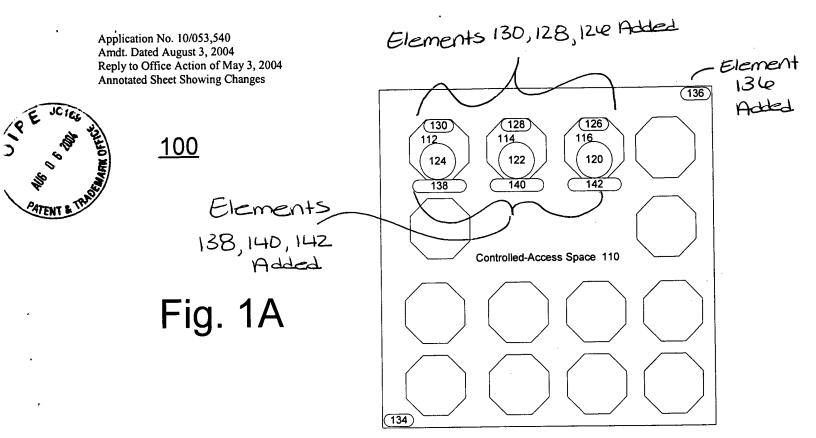
Respectfully submitted,

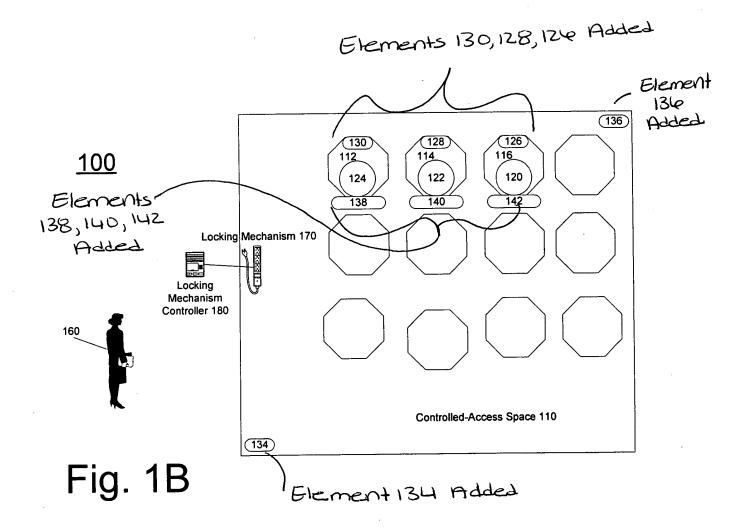
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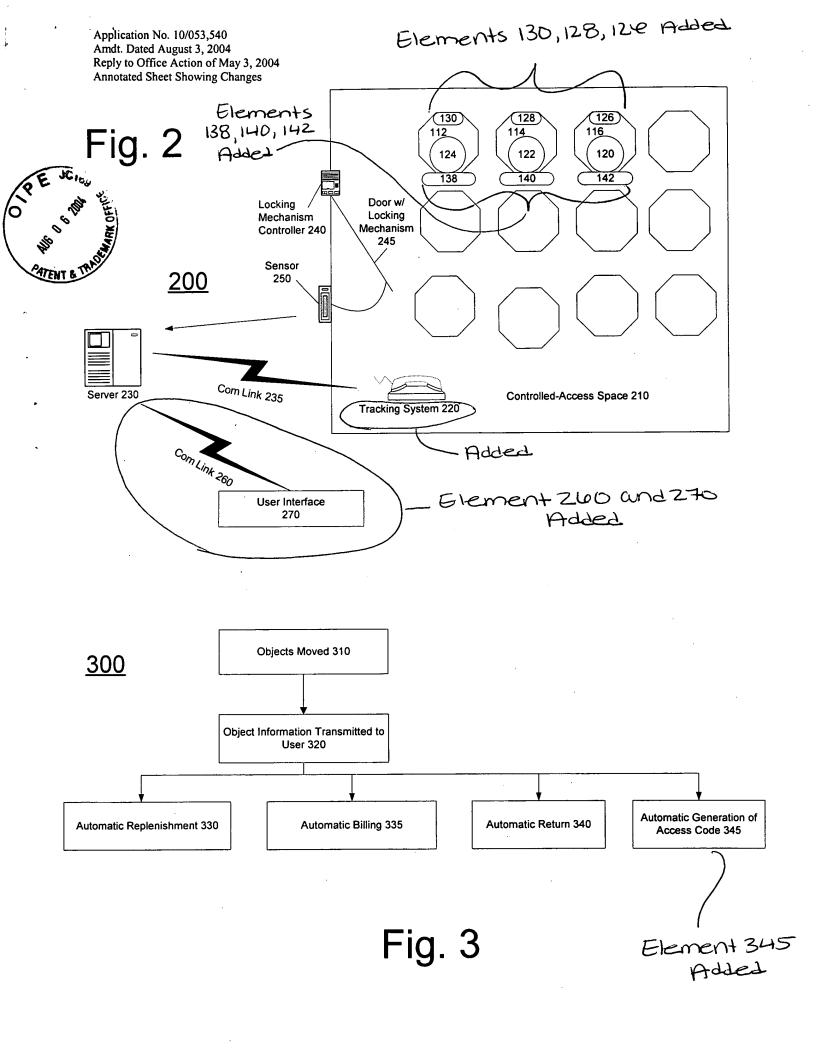
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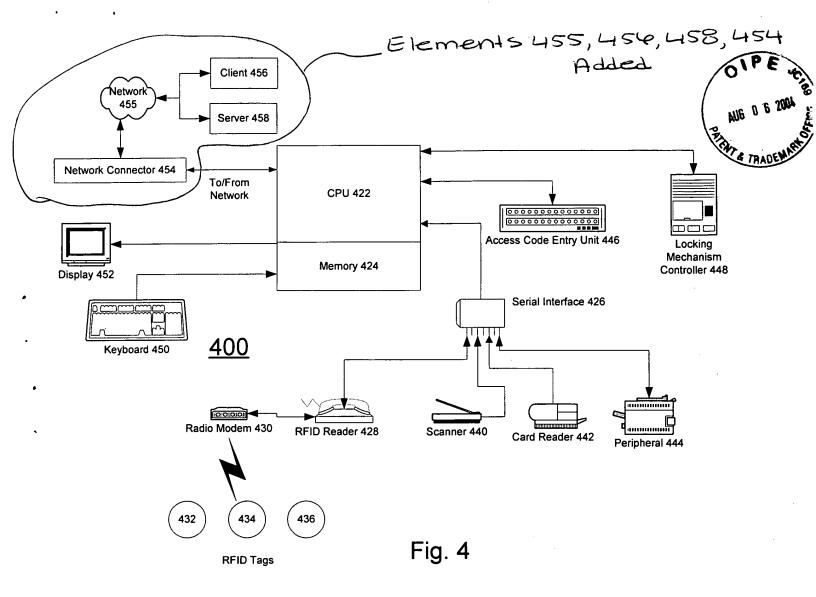
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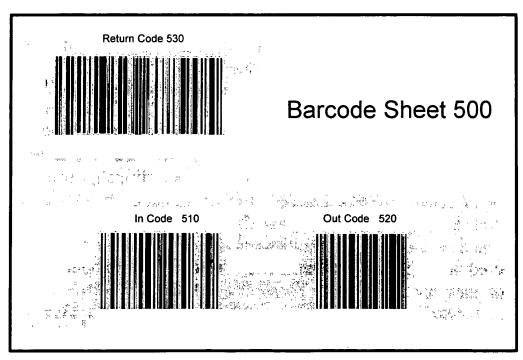
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Application No. 10/053,540 Amdt. Dated August 3, 2004 Reply to Office Action of May 3, 2004 Annotated Sheet Showing Changes